

## **Proprietary Funds - Enterprise Funds**

Enterprise funds are a sub-classification of the Proprietary Funds Types and are used to account for revenues resulting primarily from charges for services provided to the general public and the related costs of such services. The financial statements of the Enterprise Funds represent the combined statements of the Water Resources Funds, the Civic Center Funds, the Parking Services Funds, the Festivals Fund and the Mass Transit Fund.

### **Water Resources Funds**

The Water Resources Funds include the accounts of the Water Resources Fund and two water construction funds.

### **Civic Center Funds**

The Civic Center Funds include the accounts of the Civic Center Fund and a Civic Center construction fund and are used to account for substantially all transactions of the Asheville Civic Center.

### **Parking Services Funds**

The Parking Services Funds include the accounts of the Parking Services Fund and a Parking Services construction fund and are used to account for revenues and expenses related to parking garages, surface parking lots and street parking.

### **Festivals Fund**

The Festivals Fund is used to account for revenues and expenses for the Bele Chere Festival.

### **Mass Transit Fund**

The Mass Transit Fund includes the accounts of the Mass Transit Fund and a Mass Transit construction fund and are used to account for revenues and expenses related to the administrative activities of the municipal bus transportation system of the City of Asheville.

CITY OF ASHEVILLE  
ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2002  
With Comparative Totals For June 30, 2001

ASSETS	<u>Water Resources</u>	<u>Civic Center</u>	<u>Parking Services</u>
Current assets:			
Cash and investments	\$ 10,041,871	\$ 179,837	\$ 87,075
Receivables (net of allowances for uncollectibles of \$183,782 in 2002 and \$174,236 in 2001)			
Due from customers	4,983,316	93,667	37,642
Due from other agencies	-	-	-
Inventories	-	21,427	-
Prepaid expense	-	-	-
Total current assets	<u>15,025,187</u>	<u>294,931</u>	<u>124,717</u>
Restricted assets:			
Cash and investments	13,896,260	280,045	-
Total restricted assets	<u>13,896,260</u>	<u>280,045</u>	<u>-</u>
Fixed assets:			
Land	4,271,913	400,000	1,387,860
Buildings and improvements	51,025,241	9,876,387	8,834,654
Machinery, equipment and water system	77,743,856	1,336,416	371,104
Construction in progress	6,978,696	363,077	1,248,388
Total fixed assets	<u>140,019,706</u>	<u>11,975,880</u>	<u>11,842,006</u>
Accumulated depreciation	<u>(35,251,565)</u>	<u>(8,431,073)</u>	<u>(3,134,241)</u>
Net fixed assets	<u>104,768,141</u>	<u>3,544,807</u>	<u>8,707,765</u>
Other assets:			
Unamortized debt issuance costs	<u>1,436,032</u>	-	78,667
Total assets	<u>\$ 135,125,620</u>	<u>\$ 4,119,783</u>	<u>\$ 8,911,149</u>

Festivals	Mass Transit	Combining Totals	
		2002	2001
\$ 233,931	\$ -	\$ 10,542,714	\$ 11,454,292
-	-	5,114,625	4,575,242
-	728,252	728,252	259,743
-	57,174	78,601	77,498
75,372	-	75,372	90,608
<u>309,303</u>	<u>785,426</u>	<u>16,539,564</u>	<u>16,457,383</u>
-	-	14,176,305	17,667,339
<u>-</u>	<u>-</u>	<u>14,176,305</u>	<u>17,667,339</u>
-	161,838	6,221,611	6,221,611
-	744,302	70,480,584	69,638,667
-	4,084,947	83,536,323	78,022,475
-	16,037	8,606,198	7,279,431
-	5,007,124	168,844,716	161,162,184
-	(3,012,133)	(49,829,012)	(47,545,546)
-	1,994,991	119,015,704	113,616,638
-	-	1,514,699	1,714,697
<u>\$ 309,303</u>	<u>\$ 2,780,417</u>	<u>\$ 151,246,272</u>	<u>\$ 149,456,057</u>

(Continued)

CITY OF ASHEVILLE  
ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2002  
With Comparative Totals For June 30, 2001

LIABILITIES AND FUND EQUITIES	Water Resources	Civic Center	Parking Services
Current liabilities:			
Accounts payable	\$ 281,387	\$ 83,985	\$ 24,897
Accrued interest payable	1,076,753	2,597	88,037
Other accrued expenses	70,881	-	-
Due to other governmental units	3,250,626	-	-
Due to other funds	-	-	-
Bonds payable	2,725,444	-	-
Installment purchase contracts	-	87,469	475,452
Accrued vacation pay	217,580	32,823	20,318
Deferred revenues	-	-	-
Total current liabilities	<u>7,622,671</u>	<u>206,874</u>	<u>608,704</u>
To be paid from restricted assets:			
Retainage payable	295,532	-	-
Accounts payable and accrued expenses	297,199	8,633	5,561
Total to be paid from restricted assets	<u>592,731</u>	<u>8,633</u>	<u>5,561</u>
Long-term liabilities:			
Customer deposits	359,145	-	500
Bonds payable	58,086,728	-	-
Installment purchase contracts	-	102,147	2,616,605
Unamortized bond premiums	29,651	-	-
Total long-term liabilities	<u>58,475,524</u>	<u>102,147</u>	<u>2,617,105</u>
Total liabilities	<u>66,690,926</u>	<u>317,654</u>	<u>3,231,370</u>
Fund equities:			
Contributed capital:			
City of Asheville	9,755,793	12,473,552	3,854,187
Other sources	3,645,350	-	498,085
Total contributed capital	<u>13,401,143</u>	<u>12,473,552</u>	<u>4,352,272</u>
Retained earnings (deficits):			
Reserved for renewal and replacement	15,140,273	228,194	12,236
Unreserved	39,893,278	(8,899,617)	1,315,271
Total retained earnings (deficits)	<u>55,033,551</u>	<u>(8,671,423)</u>	<u>1,327,507</u>
Total fund equities	<u>68,434,694</u>	<u>3,802,129</u>	<u>5,679,779</u>
Total liabilities and fund equities	<u>\$ 135,125,620</u>	<u>\$ 4,119,783</u>	<u>\$ 8,911,149</u>

Festivals	Mass Transit	Combining Totals	
		2002	2001
\$ 36,878	\$ 69,744	\$ 496,891	\$ 302,829
-	-	1,167,387	1,176,956
-	-	70,881	96,748
-	-	3,250,626	2,674,213
-	62,057	62,057	-
-	-	2,725,444	2,365,119
-	-	562,921	534,943
-	-	270,721	256,039
306,518	-	306,518	437,349
<u>343,396</u>	<u>131,801</u>	<u>8,913,446</u>	<u>7,844,196</u>
-	-	295,532	248,113
-	-	311,393	580,282
-	-	<u>606,925</u>	<u>828,395</u>
-	-	359,645	424,877
-	-	58,086,728	60,812,172
-	-	2,718,752	3,281,949
-	-	29,651	32,861
-	-	<u>61,194,776</u>	<u>64,551,859</u>
<u>343,396</u>	<u>131,801</u>	<u>70,715,147</u>	<u>73,224,450</u>
-	1,041,700	27,125,232	27,041,964
-	5,617,108	9,760,543	9,760,543
-	<u>6,658,808</u>	<u>36,885,775</u>	<u>36,802,507</u>
-	188,393	15,569,096	18,039,948
(34,093)	(4,198,585)	28,076,254	21,389,152
<u>(34,093)</u>	<u>(4,010,192)</u>	<u>43,645,350</u>	<u>39,429,100</u>
(34,093)	2,648,616	80,531,125	76,231,607
<u>\$ 309,303</u>	<u>\$ 2,780,417</u>	<u>\$ 151,246,272</u>	<u>\$ 149,456,057</u>

(Concluded)

CITY OF ASHEVILLE  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS (DEFICITS)  
FOR THE YEAR ENDED JUNE 30, 2002  
With Comparative Totals For The Year Ended June 30, 2001

	Water Resources	Civic Center	Parking Services
Operating revenues:			
Charges for services	\$ 21,152,276	\$ 156,236	\$ 2,116,400
Rents	2,700	679,774	10,932
Concessions	-	620,566	-
Miscellaneous revenues	247,779	352,665	150
Total operating revenues	<u>21,402,755</u>	<u>1,809,241</u>	<u>2,127,482</u>
Operating expenses:			
Salaries and fringe benefits	4,442,046	1,085,333	416,601
Contractual services	946,646	552,973	137,197
Supplies and materials	1,618,915	95,970	36,921
Outside repairs	-	42,092	68,891
Depreciation	3,453,808	184,509	210,738
Interfund charges	2,935,495	3,784	64,460
Utilities	659,448	283,166	59,833
Cost of merchandise sold	-	203,728	-
Other operating expenses	2,671,200	598,192	46,898
Total operating expenses	<u>16,727,559</u>	<u>3,049,747</u>	<u>1,041,539</u>
Operating income (loss)	<u>4,675,196</u>	<u>(1,240,506)</u>	<u>1,085,943</u>
Nonoperating revenues (expenses) :			
Operating grants	67,128	-	-
Interest earned	561,319	110	26,188
Interest expense	(3,461,924)	(15,107)	(216,727)
Loss on sale of fixed assets	(504,657)	-	(341,960)
Other	(3,071)	-	(475)
Total nonoperating revenues (expenses)	<u>(3,341,205)</u>	<u>(14,997)</u>	<u>(532,974)</u>
Income (loss) before operating transfers and capital contributions	<u>1,333,991</u>	<u>(1,255,503)</u>	<u>552,969</u>
Capital contributions	2,617,136	-	-
Operating transfers in (out):			
Transfer (to) General Fund	-	(277,600)	-
Transfer (to) from Federal Capital Project Fund	-	-	-
Transfers from General Fund	-	1,237,310	-
Net income (loss)	3,951,127	(295,793)	552,969
Retained earnings (deficits):			
Beginning of year, July 1	<u>51,082,424</u>	<u>(8,375,630)</u>	<u>774,538</u>
End of year, June 30	<u><u>\$ 55,033,551</u></u>	<u><u>\$ (8,671,423)</u></u>	<u><u>\$ 1,327,507</u></u>

Festivals	Mass Transit	Combining Totals	
		2002	2001
\$ -	\$ 511,871	\$ 23,936,783	\$ 23,417,024
147,285	-	840,691	650,139
253,378	-	873,944	904,045
283,150	25,946	909,690	276,143
<u>683,813</u>	<u>537,817</u>	<u>26,561,108</u>	<u>25,247,351</u>
195,262	67,119	6,206,361	5,948,864
350,741	2,557,442	4,544,999	4,119,438
78,533	325	1,830,664	1,725,671
-	-	110,983	205,226
-	408,391	4,257,446	4,056,778
-	1,159	3,004,898	2,675,897
886	250	1,003,583	1,115,260
71,404	-	275,132	274,466
89,132	126,513	3,531,935	2,570,567
<u>785,958</u>	<u>3,161,199</u>	<u>24,766,002</u>	<u>22,692,167</u>
<u>(102,145)</u>	<u>(2,623,382)</u>	<u>1,795,106</u>	<u>2,555,184</u>
-	1,662,512	1,729,640	3,511,476
10,538	-	598,155	1,205,623
(804)	(7,005)	(3,701,567)	(3,213,410)
-	(42,875)	(889,492)	(7,246)
-	-	(3,546)	46,950
<u>9,734</u>	<u>1,612,632</u>	<u>(2,266,810)</u>	<u>1,543,393</u>
<u>(92,411)</u>	<u>(1,010,750)</u>	<u>(471,704)</u>	<u>4,098,577</u>
-	-	2,617,136	-
-	-	(277,600)	-
-	43,500	43,500	(43,500)
-	1,067,608	2,304,918	1,926,331
<u>(92,411)</u>	<u>100,358</u>	<u>4,216,250</u>	<u>5,981,408</u>
<u>58,318</u>	<u>(4,110,550)</u>	<u>39,429,100</u>	<u>33,447,692</u>
<u>\$ (34,093)</u>	<u>\$ (4,010,192)</u>	<u>\$ 43,645,350</u>	<u>\$ 39,429,100</u>

CITY OF ASHEVILLE  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2002

With Comparative Totals For The Year Ended June 30, 2001

	Water Resources	Civic Center	Parking Services
Cash flows from operating activities:			
Cash received from customers	\$ 20,965,693	\$ 1,398,540	\$ 2,113,828
Cash paid for goods and services	(9,085,729)	(1,786,222)	(405,875)
Cash paid to employees	(4,438,486)	(1,076,108)	(414,706)
Other operating revenues	(65,232)	352,665	-
Net cash provided by (used for) operating activities	<u>7,376,246</u>	<u>(1,111,125)</u>	<u>1,293,247</u>
Cash flows from noncapital financing activities:			
Operating grants received	67,128	-	-
Operating transfers to other funds	-	-	-
Operating transfers received from other funds	-	980,310	-
Operating advances received from other funds	-	-	-
Operating advances paid to other funds	-	-	-
Net cash provided by non-capital financing activities	<u>67,128</u>	<u>980,310</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Receipts from capital grants or contributions	2,617,136	(20,600)	-
Acquisition and construction of assets	(2,095,840)		(1,109,671)
Principal paid on debt	(2,365,728)	(87,469)	(447,141)
Interest paid on debt	(3,265,146)	(16,346)	(227,509)
Proceeds from sale of debt	-	-	-
Proceeds from sale of fixed assets	13,889	-	-
Net cash provided by (used for) capital and related financing activities	<u>(5,095,689)</u>	<u>(124,415)</u>	<u>(1,784,321)</u>
Cash flows from investing activities:			
Purchase of investments	-	-	-
Proceeds from sale of investments	-	1,507	-
Interest earned	561,319	110	26,188
Net cash provided by (used for) investing activities	<u>561,319</u>	<u>1,617</u>	<u>26,188</u>
Net increase (decrease) in cash and cash equivalents	2,909,004	(253,613)	(464,886)
Cash and cash equivalents:			
Beginning of year, July 1	<u>12,586,170</u>	<u>713,495</u>	<u>551,961</u>
End of year, June 30	<u>\$ 15,495,174</u>	<u>\$ 459,882</u>	<u>\$ 87,075</u>

Festivals	Mass Transit	Combining Totals	
		2002	2001
\$ 400,663	\$ 516,871	\$ 25,395,595	\$ 25,490,844
(461,975)	(2,633,850)	(14,373,651)	(13,382,935)
(195,262)	(67,119)	(6,191,681)	(5,945,161)
283,150	25,946	596,529	83,531
26,576	(2,158,152)	5,426,792	6,246,279
-	921,179	988,307	1,206,595
-	-	-	(43,500)
-	1,111,108	2,091,418	1,983,227
-	62,057	62,057	345,529
-	-	-	(20,808)
-	2,094,344	3,141,782	3,471,043
-	-	2,596,536	2,579,175
-	(453,021)	(3,658,532)	(5,726,508)
-	-	(2,900,338)	(2,822,674)
(804)	(7,005)	(3,516,810)	(3,079,908)
-	-	-	13,300,000
-	1,804	15,693	8,501
(804)	(458,222)	(7,463,451)	4,258,586
-	-	-	(13,254,428)
-	-	1,507	181,135
10,538	-	598,155	1,947,743
10,538	-	599,662	(11,125,550)
36,310	(522,030)	1,704,785	2,850,358
197,621	522,030	14,571,277	11,720,919
\$ 233,931	\$ -	\$ 16,276,062	\$ 14,571,277

(Continued)

CITY OF ASHEVILLE  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2002  
With Comparative Totals For The Year Ended June 30, 2001

	<u>Water Resources</u>	<u>Civic Center</u>	<u>Parking Services</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	<u>\$ 4,675,196</u>	<u>\$ (1,240,506)</u>	<u>\$ 1,085,943</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	3,453,808	184,509	210,738
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(437,062)	(58,036)	(13,654)
(Increase) decrease in inventories	-	(1,103)	-
(Increase) decrease in prepaid expenses	(12,929)	-	-
(Increase) in other current assets	-	-	-
Increase (decrease) in accounts payable	(810,569)	13,714	8,325
Increase (decrease) in other accrued expenses	(6,940)	(18,928)	-
Increase in deferred revenues	-	-	-
Increase in accrued vacation pay	3,561	9,225	1,895
Increase (decrease) in due to other governmental units	576,413	-	-
Decrease in customer deposits	(65,232)	-	-
Total adjustments	<u>2,701,050</u>	<u>129,381</u>	<u>207,304</u>
Net cash provided by (used for) operating activities	<u><u>\$ 7,376,246</u></u>	<u><u>\$ (1,111,125)</u></u>	<u><u>\$ 1,293,247</u></u>
Reconciliation of cash and cash equivalents:			
Cash and investments:			
Unrestricted	\$ 10,041,871	\$ 179,837	\$ 87,075
Restricted	<u>13,896,260</u>	<u>280,045</u>	<u>-</u>
Total cash and investments	23,938,131	459,882	87,075
Less: investments	<u>8,442,957</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents	<u><u>\$ 15,495,174</u></u>	<u><u>\$ 459,882</u></u>	<u><u>\$ 87,075</u></u>

Festivals	Mass Transit	Combining Totals	
		2002	2001
<u>\$ (102,145)</u>	<u>\$ (2,623,382)</u>	<u>\$ 1,795,106</u>	<u>\$ 2,555,184</u>
-	408,391	4,257,446	4,056,778
-	-	-	-
-	5,000	(503,752)	126,020
-	-	(1,103)	(963)
15,236	-	2,307	(54,136)
-	-	-	(29)
7,124	51,839	(729,567)	417,380
-	-	(25,868)	(49,265)
106,361	-	106,361	38,164
-	-	14,681	3,703
-	-	576,413	(1,009,897)
-	-	(65,232)	163,340
<u>128,721</u>	<u>465,230</u>	<u>3,631,686</u>	<u>3,691,095</u>
<u>\$ 26,576</u>	<u>\$ (2,158,152)</u>	<u>\$ 5,426,792</u>	<u>\$ 6,246,279</u>
 \$ 233,931	 \$ -	 \$ 10,542,714	 \$ 11,454,292
<u>-</u>	<u>-</u>	<u>14,176,305</u>	<u>17,667,339</u>
233,931	-	24,719,019	29,121,631
-	-	8,442,957	14,550,354
<u>\$ 233,931</u>	<u>\$ -</u>	<u>\$ 16,276,062</u>	<u>\$ 14,571,277</u>

(Concluded)

CITY OF ASHEVILLE  
WATER RESOURCES FUND  
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues:			
Charges for services:			
Water	\$ 19,950,154	\$ 19,384,104	\$ (566,050)
Connection fees	1,257,145	1,768,172	511,027
Other services	176,000	202,231	26,231
Miscellaneous revenues	2,700	48,248	45,548
Total operating revenues	<u>21,385,999</u>	<u>21,402,755</u>	<u>16,756</u>
Operating expenses:			
Department-wide expenses	6,194,814	4,845,473	1,349,341
Asheville/Buncombe Water Authority	63,650	27,804	35,846
Administration	494,696	382,520	112,176
Customer service	421,567	353,450	68,117
Water conservation	133,519	107,014	26,505
Maintenance and repair - city water	4,820,960	4,288,769	532,191
Water production and quality	2,808,775	2,679,440	129,335
Construction crew	638,505	589,281	49,224
Capital outlay	763,733	763,733	-
Total operating expenses	<u>16,340,219</u>	<u>14,037,484</u>	<u>2,302,735</u>
Operating income	<u>5,045,780</u>	<u>7,365,271</u>	<u>2,319,491</u>
Nonoperating revenues (expenses):			
Interest earned	415,020	253,699	(161,321)
Principal payments on debt	(2,428,501)	(2,365,728)	62,773
Interest and debt service charges	(3,328,387)	(3,265,146)	63,241
Total nonoperating revenues (expenses)	<u>(5,341,868)</u>	<u>(5,377,175)</u>	<u>(35,307)</u>
Excess (deficiency) of revenues over expenses before other financing sources (uses)	<u>(296,088)</u>	<u>1,988,096</u>	<u>2,284,184</u>
Other financing sources (uses):			
Appropriated fund balance	296,088	-	(296,088)
Total other financing sources (uses)	<u>296,088</u>	<u>-</u>	<u>(296,088)</u>
Net Income	<u>\$ -</u>	<u>\$ 1,988,096</u>	<u>\$ 1,988,096</u>

(Continued)

CITY OF ASHEVILLE  
WATER RESOURCES FUND  
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2002

Reconciliation of modified accrual basis to full accrual basis:	
Total revenues	\$ 21,656,454
Total expenses	<u>19,668,358</u>
Excess of revenues over expenses before other financing sources	1,988,096
Adjustments to full accrual basis:	
Capital outlay	763,733
Depreciation	(3,453,808)
Loss on sale of fixed assets	(504,657)
Interest earned in capital funds	174,899
Principal payments on debt	<u>2,365,728</u>
Income before operating transfers	<u><u>\$ 1,333,991</u></u>

(Concluded)

CITY OF ASHEVILLE  
WATER BOND CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2002

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues:				
Investment Earnings	\$ 819,272	\$ 3,094,806	\$ 314,279	\$ 3,409,085
Total revenues	<u>819,272</u>	<u>3,094,806</u>	<u>314,279</u>	<u>3,409,085</u>
Expenses:				
General operations	1,000,000	730,556	750	731,306
Master Plan	275,000	10,319	44,976	55,295
Pipeline replacement phase 2	449,045	291,613	139,916	431,529
Brevard Road	288,750	1,680	-	1,680
General capital projects	444,112	251,894	-	251,894
Bee Tree	6,671,653	768,835	5,037,199	5,806,034
Biltmore Viaduct	170,000	4,960	-	4,960
Sweeten Creek	277,685	8,180	268,021	276,201
Pisgah Highway	212,095	17,704	194,390	212,094
US 74 Phase 1 & 2	2,289,600	24,180	750	24,930
Hendersonville Road	235,180	-	-	-
Building Safety	832,370	-	8,353	8,353
Annexation	104,220	-	12,114	12,114
Critical Needs	3,000,000	628,454	1,827,428	2,455,882
Reservoir Rehab	572,335	-	-	-
Old US 70	7,000	-	1,380	1,380
Total expenses	<u>16,829,045</u>	<u>2,738,375</u>	<u>7,535,277</u>	<u>10,273,652</u>
Excess (deficiency) of revenues over expenses before other financing sources	<u>(16,009,773)</u>	<u>356,431</u>	<u>(7,220,998)</u>	<u>(6,864,567)</u>
Other financing sources:				
Proceeds from sale of bonds	14,009,773	14,009,773	-	14,009,773
Capital grants	2,000,000	-	2,000,000	2,000,000
Operating transfer out:				
Transfer to Water Resources Fund	-	-	(653,102)	(653,102)
Total other financing sources	<u>16,009,773</u>	<u>14,009,773</u>	<u>1,346,898</u>	<u>15,356,671</u>
Excess of revenues and other sources over expenses	<u>\$ -</u>	<u>\$ 14,366,204</u>	<u>\$ (5,874,100)</u>	<u>\$ 8,492,104</u>

CITY OF ASHEVILLE  
WATER MAJOR CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2002

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues:				
Investment Earnings	\$ -	\$ 394,646	\$ (6,659)	\$ 387,987
Expenses:				
Bee Tree dam renovations	460,656	450,995	-	450,995
I40 at US25A	124,000	-	116,500	116,500
Grove Park Improvement	500,000	-	-	-
Old County Home Road	243,000	-	-	-
US70/74-Tunnel Rd/Haw Creek	228,137	150,546	71,858	222,404
Phase 1 annexation	30,000	12,495	3,253	15,748
King Street	71,038	-	-	-
Warren Wilson Road	65,000	-	-	-
Pesticide mix station	655,000	32,896	57,021	89,917
Beaverdam Court	64,000	-	-	-
Piney Mtn Church	50,000	-	-	-
Critical need contract #1	1,417,620	1,061,006	132,374	1,193,380
Critical need contract #2	849,122	784,621	(31,312)	753,309
Critical need phase #4	783,958	566,627	45,562	612,189
MSD water improvements	48,863	-	-	-
Telemetry upgrades	35,000	-	-	-
Matching funds/\$3M grant	272,180	-	28,183	28,183
Feasibility study	100,000	44,989	-	44,989
Critical need phase #2	332,278	1,043	(1,043)	-
Master plan improvement	291,117	1,050	-	1,050
NC Highway 151 phase II	633,600	-	6,576	6,576
US25A Sweeten Creek II	1,245,770	-	7,404	7,404
WCCN Critical Need	156,962	-	-	-
Critical Needs III	1,060,251	-	110,913	110,913
Critical Needs III	1,028,016	-	72,030	72,030
Critical Needs III	911,733	-	-	-
Total expenses	11,657,301	3,106,268	619,319	3,725,587
Deficiency of revenues over expenses before other financing sources	(11,657,301)	(2,711,622)	(625,978)	(3,337,600)
Other financing sources:				
Operating transfers in:				
From Water Resources Fund	5,101,301	2,150,422	1,250,000	3,400,422
Capital grants	6,541,000	2,013,951	684,264	2,698,215
Henderson County contribution	15,000	1,642	-	1,642
Total other financing sources	11,657,301	4,166,015	1,934,264	6,100,279
Excess of revenues and other sources over expenses	\$ -	\$ 1,454,393	\$ 1,308,286	\$ 2,762,679

CITY OF ASHEVILLE  
CIVIC CENTER FUND  
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues:			
Rents	\$ 642,598	\$ 679,774	\$ 37,176
Concessions	924,500	620,566	(303,934)
Advertising and promotions	10,000	14,983	4,983
Staffing charges	125,000	107,735	(17,265)
Box office charges	64,600	33,518	(31,082)
Other	265,950	352,665	86,715
Total operating revenues	<u>2,032,648</u>	<u>1,809,241</u>	<u>(223,407)</u>
Operating expenses:			
General operations	1,599,868	1,386,343	213,525
Event personnel	212,854	160,424	52,430
Concessions/operating expenses	574,993	389,814	185,179
Maintenance	475,709	411,734	63,975
Box office/operating expenses	126,975	92,596	34,379
Total operating expenses	<u>2,990,399</u>	<u>2,440,911</u>	<u>549,488</u>
Operating loss	<u>(957,751)</u>	<u>(631,670)</u>	<u>326,081</u>
Nonoperating revenues (expenses):			
Interest and debt service charges	(101,400)	(102,576)	(1,176)
Interest earned	-	110	110
Total nonoperating revenues (expenses)	<u>(101,400)</u>	<u>(102,466)</u>	<u>(1,066)</u>
Deficiency of revenues over expenses before other financing sources	(1,059,151)	(734,136)	325,015
Other financing sources:			
Appropriated fund balance	13,341	-	(13,341)
Operating transfers in:			
From General Fund	<u>1,045,810</u>	<u>980,310</u>	<u>(65,500)</u>
Net income	<u>\$ -</u>	<u>\$ 246,174</u>	<u>\$ 246,174</u>

(Continued)

CITY OF ASHEVILLE  
CIVIC CENTER FUND  
SCHEDULE OF REVENUE AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2002

Reconciliation of modified accrual basis  
to full accrual basis:

Total revenues	\$ 1,809,351
Total expenses	<u>2,543,487</u>

Deficiency of revenues over expenses  
before other financing sources

(734,136)

Adjustments to full accrual basis:

Noncapitalized expenses in the Capital Projects Fund	(424,327)
Principal payments on debt	87,469
Depreciation	<u>(184,509)</u>

Loss before operating transfers

\$(1,255,503)

(Concluded)

CITY OF ASHEVILLE  
CIVIC CENTER CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2002

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues:				
Investment earnings	\$ 613	\$ 33,764	\$ -	\$ 33,764
Maintenance fees	200,558	194,429	-	194,429
Total revenues	<u>201,171</u>	<u>228,193</u>	<u>-</u>	<u>228,193</u>
Expenses:				
Auditorium Stage	50,000	-	3,840	3,840
ADA elevator improvement	481,708	151,202	579	151,781
Locker room renovation	135,000	-	127,274	127,274
Basketball floor	93,071	-	66,947	66,947
Emergency generator	7,400	-	6,300	6,300
Cash registers	15,000	10,424	311	10,735
150 KVA transformer	162,000	151,831	1,296	153,127
Main cooling tower	15,000	-	489	489
Air handler repair	200,000	9,732	99,454	109,186
ADA Capital Equipment	147,000	18,156	72,855	91,011
General capital projects	613	-	470	470
Ice floor covering	55,660	-	55,654	55,654
Total expenses	<u>1,362,452</u>	<u>341,345</u>	<u>435,469</u>	<u>776,814</u>
Deficiency of revenues over expenses before other financing sources	<u>(1,161,281)</u>	<u>(113,152)</u>	<u>(435,469)</u>	<u>(548,621)</u>
Other financing sources (uses):				
Operating transfers in (out):				
To General Fund	(277,600)	-	(277,600)	(277,600)
From General Fund	<u>1,438,881</u>	<u>840,633</u>	<u>257,000</u>	<u>1,097,633</u>
Total other financing sources (uses)	<u>1,161,281</u>	<u>840,633</u>	<u>(20,600)</u>	<u>820,033</u>
Excess (deficiency) of revenues and other sources over expenses	<u>\$ -</u>	<u>\$ 727,481</u>	<u>\$ (456,069)</u>	<u>\$ 271,412</u>

CITY OF ASHEVILLE  
PARKING SERVICES FUND  
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues:			
Parking fees	\$ 1,774,300	\$ 2,116,400	\$ 342,100
Other fees	-	150	150
Total operating revenues	<u>1,774,300</u>	<u>2,116,550</u>	<u>342,250</u>
Operating expenses:			
Parking services	378,375	371,694	6,681
Parking garages	<u>631,465</u>	<u>459,107</u>	<u>172,358</u>
Total operating expenses	<u>1,009,840</u>	<u>830,801</u>	<u>179,039</u>
Operating income	<u>764,460</u>	<u>1,285,749</u>	<u>521,289</u>
Nonoperating revenues (expenses):			
Interest earned	-	26,188	26,188
Principal payments on debt	(390,000)	(447,141)	(57,141)
Interest and debt service charges	(215,000)	(216,727)	(1,727)
Other	-	(475)	(475)
Total nonoperating revenues (expenses)	<u>(605,000)</u>	<u>(638,155)</u>	<u>(33,155)</u>
Excess of revenues over expenses before other financing sources	159,460	647,594	488,134
Other financing sources (uses):			
Appropriated fund balance	11,520	-	(11,520)
Operating transfers in from General Fund	170,980	-	(170,980)
Transfer to Parking Services Capital Projects Fund	<u>(341,960)</u>	<u>(341,960)</u>	<u>-</u>
Total other financing sources (uses)	<u>(159,460)</u>	<u>(341,960)</u>	<u>(182,500)</u>
Net income	<u>\$ -</u>	<u>\$ 305,634</u>	<u>\$ 305,634</u>
Reconciliation of modified accrual basis to full accrual basis:			
Total revenues		\$2,142,738	
Total expenses		<u>1,495,144</u>	
Excess of revenues over expenses before other financing sources		647,594	
Adjustments to full accrual basis:			
Rents earned in Capital Projects Fund		10,932	
Depreciation		(210,738)	
Loss on sale of fixed assets		(341,960)	
Principal payments on debt		<u>447,141</u>	
Income before operating transfers		<u>\$ 552,969</u>	

CITY OF ASHEVILLE  
PARKING SERVICES CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2002

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues:				
Rental Income	\$ -	\$ -	\$ 10,932	\$ 10,932
Investment earnings	60	1,304	-	1,304
Total revenues	<u>60</u>	<u>1,304</u>	<u>10,932</u>	<u>12,236</u>
Expenses:				
Cushman	20,000	-	-	-
Battery Park parking deck	<u>11,900,000</u>	<u>136,878</u>	<u>1,109,480</u>	<u>1,246,358</u>
Total expenses	<u>11,920,000</u>	<u>136,878</u>	<u>1,109,480</u>	<u>1,246,358</u>
Deficiency of revenues over expenses before other financing sources (uses)	<u>(11,919,940)</u>	<u>(135,574)</u>	<u>(1,098,548)</u>	<u>(1,234,122)</u>
Other financing sources (uses):				
Interest expense	(60)	(2,030)	-	(2,030)
Proceeds from the sale of bonds	11,900,000	-	-	-
Operating transfers in:				
From Parking Services Fund	<u>20,000</u>	<u>43,084</u>	<u>341,960</u>	<u>385,044</u>
Total other financing sources	<u>11,919,940</u>	<u>41,054</u>	<u>341,960</u>	<u>383,014</u>
Excess (deficiency) of revenues and other sources over expenses	<u>\$ -</u>	<u>\$ (94,520)</u>	<u>\$ (756,588)</u>	<u>\$ (851,108)</u>

CITY OF ASHEVILLE  
FESTIVALS FUND  
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenues:			
Bele Chere 2001	\$ 564,300	\$ 449,354	\$ (114,946)
Bele Chere 2002	171,670	293,458	121,788
Other Festivals	87,770	57,096	(30,674)
Total operating revenues	<u>823,740</u>	<u>799,908</u>	<u>(23,832)</u>
Operating expenses:			
Bele Chere 2001	564,300	653,860	(89,560)
Bele Chere 2002	171,670	71,884	99,786
Other Festivals	87,770	44,978	42,792
Total operating expenses	<u>823,740</u>	<u>770,722</u>	<u>53,018</u>
Operating Income	<u>\$ -</u>	<u>\$ 29,186</u>	<u>\$ 29,186</u>

Reconciliation of modified accrual basis  
to full accrual basis:

Total revenues	\$ 799,908
Total expenses	<u>770,722</u>

Net income 29,186

Adjustments to full accrual basis:

Net change in deferred revenues	(106,361)
Net change in prepaid expenses	<u>(15,236)</u>

Loss before operating transfers \$ (92,411)

CITY OF ASHEVILLE  
MASS TRANSIT CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
FROM INCEPTION FOR THE YEAR ENDED JUNE 30, 2002

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues:				
Intergovernmental	\$ 620,363	\$ -	\$ 14,676	\$ 14,676
Total revenues	<u>620,363</u>	<u>-</u>	<u>14,676</u>	<u>14,676</u>
Expenses:				
Bus Shelter & Benches	175,000	-	-	-
Cross Walks	90,000	-	-	-
General System Improvements	123,905	-	27,054	27,054
Support Vehicle	54,024	-	-	-
Vehicle Replacement	51,502	-	-	-
General Operations Center	65,000	-	-	-
Passenger Center	16,500	-	-	-
Transportation Center Enclosure	110,000	-	111,699	111,699
Bus Purchases	230,391	-	-	-
General Capital Project	28,500	-	11,989	11,989
Total expenses	<u>944,822</u>	<u>-</u>	<u>150,742</u>	<u>150,742</u>
Deficiency of revenues over expenses before other financing sources	<u>(324,459)</u>	<u>-</u>	<u>(136,066)</u>	<u>(136,066)</u>
Other financing sources				
Operating transfers in:				
From Transit Operating Fund	280,959	-	280,959	280,959
From Federal Capital Projects Fund	<u>43,500</u>	<u>-</u>	<u>43,500</u>	<u>43,500</u>
Total other financing sources	<u>324,459</u>	<u>-</u>	<u>324,459</u>	<u>324,459</u>
Excess of revenues and other sources over expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 188,393</u>	<u>\$ 188,393</u>